

PMAG RC 5

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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SANKO STEAMSHIP CO., LTD.,

Plaintiff,

- against -

07 Civ. 2401 (VM)

CHINA NATIONAL CHARTERING CORP.,  
also known as SINOCHART,

**ECF CASE**

Defendant.  
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**STIPULATED ORDER FOR SUBSTITUTE SECURITY AND  
RELEASE OF ATTACHED PROPERTY**

WHEREAS, the plaintiff Sanko Steamship Co., Ltd. ("Sanko") commenced this action with the filing of a Verified Complaint on March 23, 2007; and

WHEREAS, on application of the plaintiff, Process of Maritime Attachment and Garnishment ("PMAG") was issued on March 26, 2007, pursuant to Supplemental Rule B directing the restraint of property of defendants China National Chartering Corp. also known as Sinochart ("Sinochart") in the amount of \$3,752,082.05; and

WHEREAS, pursuant to this Court's Ex Parte Order of Maritime Attachment and Garnishment dated March 23, 2007, plaintiff attached property of the defendant Sinochart (a) in the sum of \$1,625,265.65 in the hands of garnishee Deutsche Bank, (b) in the sum of \$1,260,673.69 in the hands of garnishee The Bank of New York, (c) in the sum of \$366,749.71 (in three separate attachments) in the hands of garnishee Citibank, and (d) in the sum of \$499,375.00 in the hands of the Bank of America for a total of \$3,752,064.05; and

WHEREAS, the parties have now agreed to alternate security in the form of a Letter of Undertaking as a substitute and in place of the property under attachment in the hands of the foregoing garnishees; and

WHEREAS, the parties have agreed that (a) garnishee Deutsche Bank shall release Sinochart's funds in the amount of \$1,625,265.65, (b) garnishee The Bank of New York shall release Sinochart's funds in the amount of \$1,260,673.69, (c) garnishee Citibank shall release Sinochart's funds in the amount of \$366,749.71, (d) garnishee Bank of America shall release Sinochart's funds in the amount of \$499,375.00; and (e) that any other garnishee holding Sinochart's property under attachment in this action, including but not limited to Bank of China, shall release such funds in accordance with instructions to be provided by defendant's attorneys, Tisdale & Lennon, LLC; and

WHEREAS, this Stipulation is entered without waiver of the parties' respective rights under the Supplemental Admiralty Rules of the Federal Rules of Civil Procedure, all of which are expressly reserved, including defendant's right to seek vacatur of the Court's Ex Parte Order for Process of Maritime Attachment and Garnishment and for return of the alternate, substitute security and without waiver of the parties' respective rights under the Letter of Undertaking, all of which are expressly reserved;

**IT IS HEREBY STIPULATED AND AGREED THAT:**

1. Upon endorsement of this Stipulated Order, garnishee Deutsche Bank shall release Sinochart's funds in the amount of \$1,625,265.65 in accordance with instructions provided by defendant's attorneys, Tisdale & Lennon, LLC; and

2. Upon endorsement of this Stipulated Order, garnishee The Bank of New York shall release Sinochart's funds in the amount of \$1,260,673.6905.62 in accordance

with instructions provided by defendant's attorneys, Tisdale & Lennon, LLC; and

3. Upon endorsement of this Stipulated Order, garnishee Citibank shall release Sinochart's funds in the amount of \$366,749.71 in accordance with instructions provided by defendant's attorneys, Tisdale & Lennon, LLC;

4. Upon endorsement of this Stipulated Order, garnishee Bank of America shall release Sinochart's funds in the amount of \$499,375.00 in accordance with instructions provided by defendant's attorneys, Tisdale & Lennon, LLC;

5. Upon endorsement of this Stipulated Order, any and all garnishees holding property belonging to the defendant named in this action, including but not limited to Bank of China, shall release and transfer any remaining restrained funds pursuant to instructions from defendant's attorneys, Tisdale & Lennon, LLC;

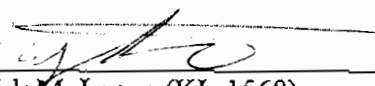
6. That plaintiff shall forthwith serve a copy of this endorsed Stipulation and Order upon all garnishees served with the PMAG and the Court's Ex Parte Order; and

7. That the Letter of Undertaking shall stand as alternate, substitute security subject to the Court's Ex Parte Order of Maritime Attachment and Garnishment dated March 23, 2007; and


8. This Stipulation and Order shall be entered without waiver of the parties' respective rights under the Supplemental Admiralty Rules of the Federal Rules of Civil Procedure, including defendant's right to seek vacatur of the Court's Ex Parte Order for Process of Maritime Attachment and Garnishment and for return of the alternate, substitute security and without waiver of the parties' respective rights under the Letter of Undertaking, all of which are expressly reserved.

Dated: April 5, 2007  
New York, NY

The Plaintiff,  
SANKO STEAMSHIP CO., LTD.

By:   
Kirk M. Lyons (KL-1568) on behalf of/  
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The Defendant,  
CHINA NATIONAL CHARTERING CORP.

By:   
e/b/o Patrick F. Lennon (PL 2162)  
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SO ORDERED.

Dated: April 5, 2007

  
U.S.D.J. Victor Marrero